



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Paul Krutko
Larry Lisenbee

SUBJECT: SEE BELOW

DATE: March 11, 2004

Approved

Date

Council District: Citywide

SUBJECT: NATIONAL EMERGENCY GRANT ALLOCATION

RECOMMENDATION

Adoption of the following Appropriation Ordinance amendments and Funding Source resolution in the Workforce Investment Act Fund (290):

- a. Establish an appropriation for High Technology National Emergency Grant to the Office of Economic Development in the amount of \$1,191,165.
- b. Establish an appropriation for Transportation National Emergency Grant to the Office of Economic Development in the amount of \$396,613.
- c. Increase Grant Revenue in the amount of \$1,587,778.

BACKGROUND

On December 9, 2003, the Department of Labor (DOL) announced the award of two National Emergency Grants (NEG) to California to address specific layoffs in the transportation and technology sectors. The Technology NEG Grant is about \$10 million, with an initial award of \$3.3 million and the Transportation NEG Grant is about \$5 million, with an initial award of \$1.7 million to the State of California. The awards are effective October 1, 2003 through December 31, 2004.

The NEG funds can only be used to serve individuals laid off from the firms submitted by the California Employment Development Department (EDD) to DOL in the original Grant application. In addition, the closures can only go back to January 2003 and layoffs must be for 50 or more.

ANALYSIS

The Silicon Valley Workforce Investment Network (SVWIN) submitted a grant application to the State of California EDD for \$500,000 to serve 110 WIA eligible clients laid off from the transportation sector and \$1.5 million to serve 350 clients laid off from the technology sector.

In January 2004, the State of California awarded SVWIN the Transportation and Technology NEG grant in the amount of \$396,613, [23% of total] and \$1,191,165, [36% of total] respectively.

PUBLIC OUTREACH

As directed by the SVWIN Board, staff has been actively pursuing discretionary grant funding from the State of California and the Department of Labor.

COORDINATION

This item has been coordinated with the Office of the City Manager and Finance Departments, and approved as to form by the Office of the City Attorney.

CEQA

Not a project.

PAUL KRUTKO
Director, Office of Economic Development

LARRY LISENBEE
Budget Director

I hereby certify that there will be available for appropriation in the Workforce Investment Act Fund in the Fiscal Year 2003-04 moneys in excess of those heretofore appropriated therefrom, said excess being at least \$1,587,778.

LARRY D. LISENBEE
Budget Director